

Department of Energy

§ 603.875

what best represents a reasonable arrangement considering the circumstances, including past investments and anticipated future investments of the recipient to the development of the technology, contributions under the current TIA, and potential commercial and Government markets. Any change to the standard patent rights provisions must be approved by assigned intellectual property counsel.

(c) Taking past investments as an example, the contracting officer should consider whether the Government or the recipient has contributed more substantially to the prior RD&D that provides the foundation for the planned effort. If the predominant past contributor to the particular technology has been:

(1) The Government, then the TIA's patent rights provision should be the standard provision as set forth in 10 CFR 600.325(b) or (c), or 10 CFR 600.136, as applicable.

(2) The recipient, then less restrictive patent requirements may be appropriate, which would make the TIA an assistance transaction other than a cooperative agreement. The contracting officer normally would, with the concurrence of intellectual property counsel, allow the recipient to retain title to subject inventions without going through the process of obtaining a patent waiver as required by 10 CFR 784. For example, with the concurrence of intellectual property counsel, the contracting officer also could eliminate or modify the nonexclusive paid-up license for practice by or on behalf of the Government to allow the recipient to benefit more directly from its investments.

(d) For subawards under a TIA that is other than a cooperative agreement, the TIA should normally specify that subrecipients' invention rights are to be negotiated between recipient and subrecipient; that subrecipients will get title to inventions they make; or some other disposition of invention rights. Factors to be considered by the contracting officer in addressing subrecipient's invention rights include: the extent of cost sharing by parties at all tiers; a subrecipient's status as a small business, nonprofit, or FFRDC; and whether an appropriate field of use

licensing requirement would meet the needs of the parties.

(e) Consortium members may allocate invention rights in their collaboration agreement, subject to the review of the contracting officer (See § 603.515). The contracting officer, in performing such review, should consider invention rights to be retained by the Government and rights that may be obtained by small business, nonprofit or FFRDC consortium members.

§ 603.865 March-in rights.

A TIA's patent rights provision should include the Bayh-Dole march-in rights set out in paragraph (j) of the Patent Rights (Small Business Firms and Nonprofit Organization) provision in Appendix A to subpart D of 10 CFR 600, or an equivalent clause, concerning actions that the Government may take to obtain the right to use subject inventions, if the recipient fails to take effective steps to achieve practical application of the subject inventions within a reasonable time. The march-in provision may be modified to best meet the needs of the program. However, only infrequently should the march-in provision be entirely removed (*e.g.*, if a recipient is providing most of the funding for a RD&D project, with the Government providing a much smaller share).

§ 603.870 Marking of documents related to inventions.

To protect the recipient's interest in inventions, the TIA should require the recipient to mark documents disclosing inventions it desires to protect by obtaining a patent. The recipient should mark the documents with a legend identifying them as intellectual property subject to public release or public disclosure restrictions, as provided in 35 U.S.C. 205.

§ 603.875 Foreign access to technology and U.S. competitiveness provisions.

(a) Consistent with the objective of enhancing national security and United States competitiveness by increasing the public's reliance on the United States commercial technology, the contracting officer must include